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AGRICULTURAL COOPERATION

August 24, 1929

Vol. VII, No. 17.

COOPERATIVES BIG FACTOR IN DAIRY PRODUCTION

Thirty-three per cent of the creamery butter produced in the United States in 1928 was made in farmer-owned or farmer-operated plants. In Wisconsin more than 75 per cent of the output of creamery butter came from cooperative plants. Sixty-seven per cent of the creamery butter made in Minnesota was produced by cooperative associations. The percentages of Vermont Creamery butter produced by cooperatives in 1928 was approximately 50 per cent, and the percentages for some of the other states were: California, 44; Iowa, 43; Washington, 30; Michigan, 30 per cent.

Practically all the cheese made in Maine in 1928 was made in farmer-controlled plants, and 75 per cent of the cheese produced in Oregon was the product of cooperative enterprises. Some of the other states with a high percentage of cooperative activity in manufacturing cheese are: Minnesota, 60 per cent; Wisconsin, 34 per cent; Michigan, 22 per cent; and Illinois, 20 per cent.

The farmer-controlled cheese factories reporting to the United States Department of Agriculture for 1928 produced approximately 28 per cent of all the cheese made in the United States during that year.

LEGAL, ECONOMIC, AND ORGANIZATION INFORMATION
COLLECTED BY THE DIVISION OF COOPERATIVE MARKETING
BUREAU OF AGRICULTURAL ECONOMICS
UNITED STATES DEPARTMENT OF AGRICULTURE
WASHINGTON, D.C.

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BIG PRODUCTION OF DAIRY PRODUCTS BY COOPERATIVES

Cooperative creameries produced more pounds of butter on the average in 1928 than in 1926. The average production per cooperative creamery for the 1,475 enterprises reporting to the United States Department of Agriculture for 1926 was 337,601 pounds, and the average for the 1,113 associations reporting for 1928 was 356,721 pounds. This was a gain in the average of 19,120 pounds for the two-year period.

The averages for the two years for the more important creamery states are as follows:

State	1926		1928	
	Number of associations reporting	Butter Average	Number of associations reporting	Butter Average
		(Pounds)		(Pounds)
United States	1475	337,601	1213	356,721
California	16	2,083,914	11	2,269,928
Nebraska	16	659,431	12	936,045
Washington	20	587,330	14	629,739
Oregon	15	520,587	10	463,225
Wisconsin	291	392,908	205	404,869
South Dakota	22	337,962	17	403,546
Iowa	222	332,215	226	340,993
Minnesota	616	289,011	565	291,317
Michigan	72	284,929	45	363,963
Vermont	33	123,870	15	152,791
Pennsylvania	29	104,330	17	104,221

Less cheese per cooperative factory was produced in the United States in 1928 than in 1926. The average production for the earlier year was 175,426 pounds per plant, and for the latter year, 165,927 pounds per plant. In Oregon and a few other states the average production was larger, but in Wisconsin, New York and Minnesota the average production was less. The figures for several of the states are as follows: Oregon, 350,762 pounds per association; Michigan, 203,285 pounds; Minnesota, 195,437 pounds; New York, 149,035 pounds.

The figures showing the average number of pounds of cheese produced per factory in a few of the leading dairy states in 1926 and 1928 are as follows:

State	1926		1928	
	Number of associations reporting	Cheese, Average (Pounds)	Number of associations reporting	Cheese, Average (Pounds)
United States	793	175,426	570	165,927
Oregon	28	306,451	22	350,762
Washington	7	264,331	2	656,429
Vermont	4	236,163	1	315,278
Minnesota	36	211,252	24	195,437
Wisconsin	591	176,994	457	158,881
New York	35	173,472	21	149,035
Idaho	2	158,853	3	256,549
Michigan	20	153,656	8	203,285
Pennsylvania	14	123,201	3	133,459
Illinois	23	109,182	14	94,989

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COOPERATIVE CREAMERY MAINTAINS CREAM STATIONS

An annual business of \$125,000 is being transacted by the Lexington Cooperative Creamery Company, Lexington, Nebr., which enterprise is serving approximately 500 cream producers.

The association was organized in 1926 for the purpose of manufacturing cream into butter and marketing the butter to the best advantage. Capital stock to the amount of \$37,200 has been issued in shares of \$100 each.

Stockholders cast as many votes either in person or by proxy, as they hold shares, except that no stockholder can cast more than thirty votes by proxy.

The by-laws of the association provide that the organization is to be operated on a cooperative basis to the extent that such earnings as remain after meeting operating expenses, repairs, a deduction for depreciation, and interest on outstanding capital stock, shall be prorated among the patrons as a patronage refund. Refunds to patrons who are not stockholders are to be applied toward the payment of a share of stock.

Stations for the collection of cream have been established by the association.

FOUR CAR LOADS OF BUTTER IN ONE DAY

Four car loads of butter in one day is the new high record of the Farmers' Equity Cooperative Creamery Association, Orleans, Nebr. June 22 was the day on which the farmers delivered more cream than ever before, and June 23 was churning day. On that day three car loads of butter were made at the Orleans plant and one car load at the Denver plant. The total was about 80,000 pounds of butter. This was shipped east in Equity Union refrigerator cars to be distributed through a large system of chain stores.

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EXPANDING BUSINESS CALLS FOR NEW CREAMERY

In its eighth year of operation, 1928, the Bloomington Cooperative Creamery Company, Bloomington, Wis., manufactured 471,462 pounds of butter, which was nearly four times the quantity made the first year. This large volume of business called for increased facilities and at last reports the company was planning to build a new creamery which it proposed to finance by issuing 15-year, 6 per cent bonds secured by a mortgage on the land, buildings and equipment of the company.

The company was organized in 1921 and began business that year. It has gradually extended its territory and now covers eight townships of Grant County. On January 1, 1928, the membership numbered 123 and one year later the number of patrons was given as 300.

Statistics given below tell in some measure the progress of the creamery company.

Year	Butter made	Sales of butter and cream	Paid patrons for butterfat		Net earnings
			Av. per lb. (Cents)	Total	
	(Pounds)				
1921	126,110	-----	-----	-----	-----
1922	215,026	-----	-----	-----	-----
1923	238,386	\$104,488	50.00	\$ 92,993	\$2,835
1924	283,153	114,127	46.00	100,816	3,398
1925	325,807	141,610	50.00	127,763	2,640
1926	324,819	134,925	48.67	122,960	2,035
1927	410,321	177,529	52.25	163,121	934
1928	471,462	223,638	-----	-----	-----

REPORTS OF TEN DAIRY ASSOCIATIONS ANALYZED

Keystone Cooperation, the official publication of the Pennsylvania Department of Agriculture, presents in a recent issue an analysis of the annual reports for 1928 of five nonstock, cooperative creameries, together with averages for each of the three years, 1926, 1927, and 1928, also similar data for five nonstock, cooperative, milk-distributing plants.

Sales of the five creameries in 1928 ranged from \$26,826 to \$100,362 with an average of \$59,098. This was slightly less than the averages for the two previous years when the figures were \$59,657 and \$61,083. The number of members in 1928 varied from 22 to 72, with an average of 46.4, compared with 60.4 in 1927, and 62.2 in 1926. The volume of sales per member was \$670 in an association with 40 members and \$2,775 in one with only 22 members; the average volume for 1928 was \$1,273; in 1927, \$987; and in 1926, \$982.

The cost of product averaged 88.16 per cent of sales, compared with 86.10 in 1927, and 86.96 in 1926. The lowest figure for any creamery was 81.98 per cent of sales, and the highest 92.22. Operating expenses ranged from 6.60 per cent to 15.93 per cent of sales, with an average of 10.88, compared with 12.24 in 1927, and 11.13 in 1926.

Plant costs showed a reduction. Ranging from 6.09 per cent of sales to 10.63, they averaged 8.73, in comparison with 9.73 in 1927 and 9.18 in 1926. Administration costs averaged 1.95 per cent of sales. In 1927 the figure was 2.10 and in 1926, 1.43 per cent. Net earnings averaged 0.96 per cent of sales, while in 1927 the average was 1.66, and in 1926, 1.91. Only one creamery reported a patronage dividend paid. The five creameries have capital which averages 11.34 per cent of sales, and surplus and reserves averaging 3.89 per cent.

The five milk-distributing plants reported sales ranging from \$62,842 to \$169,395, with an average of \$112,856, compared with \$107,227 in 1927, and \$94,850 in 1926 in which year the reports for six plants were included. The number of members varied from 8 to 75, with an average of 41.2, in comparison with 29.4 in 1927, and 31 in 1926. The volume of sales per member ranged from \$1,123 to \$7,855, and averaged \$2,739. In 1927 the average was \$3,647, and in 1926, \$3,059.

The cost of product was 66.66 per cent of sales, and operating expenses, 30.91 per cent, somewhat less than formerly when the figures were 33.97 per cent and 34.33 per cent. Plant costs also averaged less, 13.78 per cent of sales, compared with 16.13 and 15.07. Delivery costs averaged 9.66 per cent of sales; administration, 7.47; and net earnings 2.43 per cent, compared with 2.71 and 3.20 in previous years. All five associations added to their reserves, the amounts ranging from 1.94 per cent to 100 per cent.

One of these associations operates a bottling and pasteurizing plant and sells milk and cream at wholesale to retail dealers, another makes and distributes large quantities of ice cream.

EXCHANGE REPORTS HEAVY SALES OF LEMONS

Lemon sales of the California Fruit Growers Exchange, Los Angeles, are exceeding the sales of all previous years. In the second week of June the Exchange sold over 100 cars per day, and the record for that month was 2,855 cars in the 25 shipping days. Besides the packed fruit, over 4,200 cars of low grade lemons have been converted into by-products, such as lemon oil, citric acid and pectin.

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COLORADO BEAN ASSOCIATION PLANS FINAL PAYMENT

More than 600 delegates and visitors attended the fourth annual meeting of the Colorado Bean Growers' Association, held at Simla, Colo., June 26. The president reported the most successful year in the history of the association. Members were gratified to learn that they would receive another payment of \$1 per hundredweight on July 20 and final settlement as soon as possible after the close of the fiscal year, August 15. A \$1 payment was distributed in May. Dull bean markets have meant slow sales and delayed payments, but the management comments on the patience of the growers and their confidence in the organization.

The secretary announced that the deficit which had hampered the association was practically wiped out. This deficit was caused by the initial organization expenses which were spread over a number of years. One year ago it amounted to \$18,000 but the season's operations have cleared this off and the deductions for reserves this year will represent actual working capital. This will permit more substantial advances, earlier final payments, the purchase of bags and supplies at better prices, and will be advantageous in many ways.

During the 1928-29 season the Central Sales Agency has handled the pinto beans of the New Mexico Bean Pool in connection with the crop delivered by Colorado growers. This increased volume helped to reduce costs of marketing as well as to eliminate the competition which had heretofore existed.

The association has contracted with the Simla Farmers' Cooperative Elevator Company to clean all pool beans at that point for the season, and also to purchase beans from nonmembers on behalf of the Colorado Bean Growers' Warehouse Corporation. This will tend to reduce competition in that section and also to bring a handling profit to the association.

The Colorado Bean Growers' Association was organized September 8, 1925. Beginning its work late that season it handled only 9 cars of dry beans. Of the 1926 crop it handled about 75 cars, and of the 1928 crop, 280 cars. On January 1 1928, the secretary reported that the association had 1,777 members.

COOPERATIVE CITRUS BUD SELECTION

Cooperative citrus bud selection is one line of work carried on by the Fruit Growers' Supply Company of the California Fruit Growers Exchange, Los Angeles. Since May, 1927, the bud selection department has furnished growers with 4,206,283 citrus buds carefully and scientifically selected from superior trees of the best strains of proved commercial varieties. These choice buds are sold to members for five cents each, and to other growers for six cents. The work is carried on as a public service to the citrus industry.

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PRUNE GROWERS RECEIVE FOURTH DISTRIBUTION

Members of the California Prune and Apricot Growers' Association, San Jose, received a fourth payment on 1928 prunes in July, totaling about \$365,000, with assurance that still another payment was to come.

The management has been considering plans for handling dried peaches on the same terms and conditions as it now handles prunes and apricots. This service is now offered to members of the association or its locals, and to other growers who are not affiliated with any peach marketing association.

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ILLINOIS GROWERS SELL PEACHES ON ROADSIDE

Roadside marketing of peaches is the latest venture of the Illinois Fruit Growers' Exchange, Centralia. With a heavy crop in the state, the Exchange has undertaken to carry the markets to the people. Through a subsidiary organization, called the Illinois Growers' Marketing Association, the growers have established nine roadside markets at strategic points in the State, and placed responsible salesmen in charge, who are prepared to sell one peach or a car load, as the customer wishes.

The Exchange is packing its own fruit under the "Illini" brand, and the Illinois Department of Agriculture is furnishing a crew of 25 inspectors to see that the packing is properly done. The brand is known throughout the state and the fruit is packed to give an attractive appearance. The roadside stands also carry vegetables and other fruits. Later in the season they plan to sell apples and other products.

This plan of marketing was adopted after two of the large growers had tested it themselves for a few years and were convinced that it was practical. Both of these experienced men are members of the board of directors of the Growers' Marketing Association.

CALF CLUB STOCK SOLD AT AUCTION

Baby beeves to the number of 6,358, fed by boys and girls in co-operative club work, or in vocational agricultural projects, have been sold at auction on the Chicago livestock market during the five years, 1924-1928. The total sales value of these animals was \$844,546. The number of animals sold each year and their value, exclusive of animals sold at the International Live Stock Exposition, is as follows:

Year	Animals sold	Sales value
1924	549	\$ 56,436
1925	813	199,469
1926	1,544	166,271
1927	1,634	211,227
1928	1,818	291,143

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ASSOCIATION BUILT UP THROUGH SERVICE

Livestock producers of Boone County, Mo., believe in cooperative livestock marketing. They formed the Columbia Cooperative Shipping Association, Columbia, in 1920 but it was several years before the organization was entirely successful. Late in 1924, with a change of policy and a change of management, the association gained a new impetus and became able to serve the farmers to better advantage. Now it serves all who come, producers or traders, and handles each man's livestock just as nearly as possible as he directs, thereby securing satisfied patrons.

The development of the business is indicated by the following figures for shipments: 1924, under the old plan, 149 cars; 1925, 213; 1926, 312; 1927, 422; 1928, 473. Available figures for sales are as follows: 1921, \$200,000; 1924, \$158,098; 1925, \$303,044; 1927, \$571,104; 1928, \$667,000. In the last four years the shippers have received refunds on commissions from terminal cooperative sales agencies, to the amount of \$3,482. The figure for 1928 was \$1,133, which was distributed among 1,431 shippers.

Tuesday is the regular shipping day and the directors have adopted a plan of shipping everything brought in whether it was listed or not. During heavy shipping seasons, regular shipments of hogs, sheep and veal calves are made on Thursday, and special shipments at other times.

The board of directors is aggressive in the interests of the association, keeping fully informed and constantly at work on the job. The books of the association are open for inspection and any shipper has the privilege of seeing what his stock brings through the hands of the trader. This fact alone has won many shippers to the idea of shipping through the cooperative organization.

TURKEY MARKETING ASSOCIATION IN MONTANA

Three hundred turkey producers are served by the Judith Basin Poultry Growers' Association, Stanford, Mont., a cooperative marketing association formed in 1927. The object of the organization is to market the poultry and poultry products in such a manner as to obtain the greatest net returns for members, to develop better market facilities, to study local, state and national marketing problems, to foster and develop the cooperative spirit in the community, to improve the types, quality and breeding of standard birds for show and for egg production, and to do such other things as may tend to the betterment of the members and the improvement of the community.

The association is organized without capital stock. Each member is entitled to withdraw when all debts due the association have been paid. Voting by proxy is prohibited but absent members have the right to transmit to the secretary sealed ballots on specific questions.

Turkey sales for the 1928-29 season amounted to about \$45,000.

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KANSAS EQUITY HANDLES MUCH GRAIN

In its last business year, ending May 31, 1929, the Copeland Cooperative Equity Exchange, Copeland, Kans., handled 1,300,000 bushels of wheat, shipping an average of 15 cars a day, with about 1,400 bushels to a car. All this wheat passed through the old elevator building which has a capacity of 20,000 bushels. The Exchange also handled corn, coal, flour, and feed. The year's operations amounted to \$1,186,522 and resulted in net earnings of \$43,709, the largest sum in its nine years of existence. Seventy-seven per cent of the business was with members and 23 per cent with others.

From the earnings the Exchange paid five per cent interest on capital stock, charged off \$1,331 for depreciation, prorated \$27,434 on members' business, and carried the earnings from nonmembers' business amounting to \$8,390, to the building reserve.

One member received \$748 in prorations and dividends; five received more than \$600; nine, more than \$500; nine more than \$400; seventeen, more than \$300, etc.

In six of the nine years the organization's records show substantial earnings, the other three years there were small losses.

The Exchange has recently built a new elevator with a capacity of 130,000 bushels, making a total capacity, with the old elevator, of 150,000 bushels of grain. The new elevator was completed and turned over to the association on July 1 of the present year.

SECOND INTERIM PAYMENT ON CANADIAN WHEAT

Nearly forty million dollars was distributed to Canadian farmers on July 31 by the Canadian Cooperative Wheat Growers, Ltd., Winnipeg, as a second interim payment on pooled wheat and coarse grains. The payment on wheat was on the basis of $21\frac{1}{2}$ cents per bushel for No. 1 northern, Fort William; 18 cents on No. 2; $17\frac{1}{2}$ cents on No. 3; $22\frac{1}{2}$ cents on No. 4; 16 cents on No. 5; 8 cents on No. 6; 6 and $7\frac{1}{2}$ cents on feed; with a wide range on other grades.

The initial payment last fall was 85 cents per bushel, followed by a flat payment of 12 cents per bushel on March 1, on all grades from No. 1 to feed, with the exception of No. 6 on which the association paid 10 cents per bushel. Total payments to date on No. 1 northern, basis Fort William, amount to \$1.18 $\frac{1}{2}$ per bushel.

In accordance with the plan adopted last year, the association made adjustment for all spreads, and all deductions for elevator and commercial reserves, carrying charges, etc., from the second interim payment. As a result the final payment to be made at the end of the crop season will be a flat payment on all grades.

The deductions for spreads, reserves, carrying charges, etc., ranged from 4.335 cents to 3.865 cents, making the net payments to growers as follows: No. 1 northern, 17.115 cents; No. 2 northern, 13.68 cents; No. 3 northern, 13.235; No. 4, 18.285; No. 5, 11.9; No. 6, 4.05; feed, 3.635.

On durum wheats the figures were as follows: No. 1 amber durum, $18\frac{1}{2}$ cents per bushel; No. 2, 16 cents; No. 3, 12 cents; No. 4, $13\frac{1}{2}$ cents; No. 5, 14 cents; No. 6, $6\frac{1}{2}$ cents; feed amber durum, 14 cents.

Members of the coarse grains pools of Saskatchewan and Manitoba received \$2,500,000 on their deliveries. This distribution was at the following rates: No. 2 C. W. oats, 15 cents, bringing the pool payment to date to 55 cents a bushel; No. 3 C. W. oats, $11\frac{1}{2}$ cents, bringing the payments to $48\frac{1}{2}$ cents; No. 3 C. W. barley, $7\frac{1}{2}$ cents, making the total $67\frac{1}{2}$ cents; No. 1 N. W. flax, 34 cents, making a total of \$1.96; Nos. 1 and 2 C. W. rye, 9 cents; No. 3, $9\frac{1}{2}$ cents; rejected, 10 cents. Earlier payments on Nos. 1 and 2 amounted to 82 cents per bushel.

This second interim payment was distributed between the pools of the three provinces in the following manner:

Grain	Alberta*		Saskatchewan		Manitoba**
	Grain delivered (Bushels)	Payment July 31	Grain delivered (Bushels)	Payment July 31	Payment July 31
Wheat	66,481,260	\$8,033,622	157,901,672	\$25,941,414	\$1,950,000
Oats	- - - - -	- - - - -	8,393,956	710,627	110,000
Barley	- - - - -	- - - - -	6,293,178	401,124	445,000
Flax	- - - - -	- - - - -	1,022,529	352,976	50,000
Rye	- - - - -	- - - - -	2,356,392	182,476	20,000

* No coarse grains handled.

** Number of bushels not available.

MONTANA FARMERS BUY GASOLINE COOPERATIVELY

A group of farmers in Gallatin County, Montana, organized the Gallatin tractor Owners' Association in 1928 in order to purchase cooperatively their gasoline, tractor fuel and lubricants. The association has 243 members, all farmers. Each member agrees to purchase all his gasoline and tractor fuel through the organization during 1929 and authorizes the association to deduct one-half cent per gallon on his purchases and to place such deduction in the general fund of the association. Headquarters are at Bozeman. The association is not incorporated.

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ALABAMA FARM BUREAU INCREASES SALES OF SUPPLIES

The Dallas County Farm Bureau, Selma, Ala., is engaged in selling livestock and poultry for its members, and buying for them, feeds, fertilizers, seeds, nursery stock, insecticides, machinery, and other supplies. Business transacted in 1928 amounted to \$216,978. Supplies sold to members amounted to \$184,699, including 5,958 tons of fertilizer valued at \$158,390; seed, \$20,509; feed, \$2,882; fruit trees, \$881; drills and windmill, \$855; dynamite, \$615; insecticides, \$566. Sales for members amounted to \$32,279, including the following: hogs, \$15,357; wool, \$5,166; poultry, \$4,000; turkeys, \$3,500; lambs, \$3,500. The sum of \$4,366 was refunded to members, a saving of \$473 having been made on fertilizer alone. There are 300 members.

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COOPERATIVE COMPOUNDS OILS AND GREASES

The compounding of petroleum products has been undertaken by the Union Oil Company (Cooperative), at a plant recently purchased in North Kansas City, Mo. The establishment consists of an office building and a plant for manufacturing oils and greases. Economy of operation has been the keynote in the selection and arrangement of equipment, with the result that one man can manufacture lubricating oil at the rate of a car load per hour. The plant is large enough to take care of the expanding business of the company for several years, and there is ground to permit enlarging the plant to double its present size.

The Union Oil Company markets its products under the trade name of "Union Certified." Since July 22, when the compounding plant began to operate, "Union Certified Oil" has been put on the market and the management reports a marked increase in the volume of business. The board of directors includes members of the Farmers' Union, the Farmers' Equity, and the Missouri Farmers' Association'

CONSUMERS' COOPERATIVES HOLD FIRST INSTITUTE

The first Institute of Consumers' Cooperation opened on July 23 at Brookwood Labor College and continued one week. The first evening session was informal; each delegate introduced himself and told of his cooperative affiliations, and a member of the faculty told about Brookwood Labor College. Two courses of study were offered; one in the problems of Organizing and Administering a Consumers' Cooperative Society, and one in the History, Theory and Principles of Consumers' Cooperation. There were also a number of special lectures by persons who could speak with authority on various phases of the movement. Special sessions were also arranged for the week end. Twenty-one persons attended the classes throughout the week, and 18 more delegates arrived to attend the special week-end meetings. The delegates represented 7 nationalities and 13 different cooperative societies.

One session was given to a discussion of the Eastern Cooperative Wholesale, which is already buying goods for some 23 stores, bakeries and restaurants, to the amount of \$15,000 a month. The Wholesale's grocery business has reached a volume which has enabled it to have a number of commodities packed under a special cooperative label, after careful laboratory tests for quality.

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FIFTH SESSION OF AMERICAN INSTITUTE OF COOPERATION

The fifth summer session of the American Institute of Cooperation closed at Baton Rouge, La., August 8, after a program covering ten days. The formal session was followed by a field trip through the agricultural regions of southern Louisiana and a visit to the farm produce markets of New Orleans.

Among the outstanding features of the institute were addresses by several members of the newly created Federal Farm Board, the broadcasting over a nation-wide chain of stations the program for the second evening, the organization of the National Cooperative Council, a series of five lectures on membership problems of the cooperatives, and the presentation of a one-act cooperative play entitled "The Prince Comes." The cast for the play was drawn from those attending the institute.

The registration for the institute exceeded 600 which makes it one of the best attended sessions yet held. Fifty-eight students registered for the credit courses given in cooperative marketing.

The institute was organized in 1925 and the first session was held at the University of Pennsylvania in Philadelphia. The second session was in cooperation with the University of Minnesota at University Farm, St. Paul; the third session, with Northwestern University, Chicago; the fourth, with the University of California, Berkeley; and the recent session with the Louisiana State University, Baton Rouge, La.

KANSAS ELEVATOR COSTS ANALYZED

"Country Elevator Margins and Costs in Marketing Kansas Wheat" is the title of a bulletin by R. M. Green and E. B. Ballow, published by the Agricultural Experiment Station, Manhattan, Kansas. The data are based upon the study of a large group of Kansas elevators, cooperative and private, over a period of three crop years, 1920-22. Elevators of the "mill line," "commercial line," "cooperative line," "cooperative (independent)" and "commercial (independent)" are included in the study.

The average local elevator operating cost per bushel during each of the three years was found to be between 7 and 8 cents. When analyzed on the basis of volume, it was found that elevators handling a volume in excess of 200,000 bushels in 1922-23 (including, however, only 6 elevators) had costs of approximately $3\frac{1}{2}$ cents per bushel, while those handling less than 25,000 bushels had an average cost of 12.6 cents. More than half of the elevators studied that year (109 out of 189) handled less than 75,000 bushels per elevator and experienced costs averaging 6.86 cents per bushel for those in the group 50-75,000 bushels, and 8.48 cents per bushel for those in the 25-50,000 group. A total of 121 elevators below the group average had costs averaging 8.02 cents. To those interested in research methods, it is of interest to note that cost data obtained by questionnaires gave practically the same results as those obtained by audits.

An analysis of the volume handled by elevators of different types in 1922 shows that the average for 36 commercial line elevators was 57,385 bushels; for 74 mill line, 46,739; for 21 cooperative line, 53,586; for 19 independent cooperatives, 126,106; while the average of all was 60,303 bushels. Average costs for the same year were: commercial line, 5.55 cents per bushel; mill line, 5.45; cooperative line, 5.02; cooperative independents, 3.56; and commercial independent, 3.86 (volume not given). Results for the preceding year show slightly lower costs in every group, the difference being greatest in the case of the cooperative line elevators which had average costs of only 3.40 cents compared with 5.02 for 1922.

The authors also deal extensively with such problems as the handling of sidelines, hedging, methods of selling, risks, and price fluctuations. Among their conclusions are the following: wide variations in buying margins result from radical price fluctuations at terminal markets; hedging as a means of lowering costs is of little value to elevators operating as they do in Kansas; the risk arising from possible variation in the size of the wheat crop is the most significant factor affecting costs; the handling of sidelines may be profitable to single unit elevators but is of doubtful value to elevators of the line type; local consolidations and extension of well located line elevator systems offers the greatest possibility of safely reducing margins.

J. F. Booth

BANK OF SOUTH AFRICA TELLS OF COOPERATIVES

The report of the Central Board of the Land and Agricultural Bank of South Africa, for the year ending December 31, 1928, includes information regarding its loans to various cooperative enterprises and gives details regarding the volume of this business. Some of the cooperatives whose operations are described are those handling maize and general produce, cotton, fresh milk, livestock, fresh fruit, dried fruit, wool, eggs, and tobacco. Other cooperative groups are interested in handling fertilizer, threshing grain, and milling grain.

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"THE JEWISH COOPERATIVE MOVEMENT IN PALESTINE"

"The Jewish Cooperative Movement in Palestine" is described and discussed at length by Harry Viteles in the Bulletin of the Palestine Economic Society, Vol. IV, No. 1, June, 1929. The author states that he had two objects in view in writing this treatise: first, "To give to those interested in Palestine a picture of the present situation and the role which the cooperative movement is playing in the life of the country; and in the second place, to help the cooperators in Palestine to take stock and prepare a program for the future."

Cooperation in Palestine has been developed only by Germans and Jews, and this paper deals exclusively with cooperation among the Jews, who have formed societies for a wide variety of purposes, apparently believing that the term "cooperative" is a talisman to attract good fortune. At the end of 1928 there were more than 200 Jewish cooperatives functioning, with a membership of over 35,000 in 90 communities. These included societies for agricultural credit, agricultural production, consumers' societies, the Palestine Opera, organizations of barbers, chauffeurs, car drivers, women carrying on home industries, and the entire staff of a daily paper.

The six principal types of agricultural societies in Palestine are as follows: 1) agricultural producers working together; 2) societies for the sale of agricultural produce, such as almonds, oranges, dairy products, vegetables, poultry, etc.; 3) general agricultural societies, which combine buying and selling with making loans; 4) cooperative agricultural industries, including a society of wine growers; 5) cooperative societies for the supply of water, numbering hundreds if not thousands; 6) cooperative cattle insurance societies.

A number of these organizations are described in some detail with many statistics regarding their operations. Several were formed before the World War, and one, the Cooperative Society of Orange Growers, dates back to 1900. This society has done much to develop the industry and extend the markets to a wide range of countries.

The bulletin covers 183 pages besides a large number of inserted tables and charts. It is published at Tel-Aviv, Palestine.

CENTROSOYUS TRAINING SALESMEN AND BOOKKEEPERS

Centrosoyus, the Central Union of cooperative purchasing societies of the Union of Soviet Republics, has organized a two-year course of instruction to prepare individuals for positions of responsibility in the purchasing societies. This line of educational work was undertaken for the first time in 1928-29. The course includes both theory and practice, aiming to give the students a broad, general understanding of the principles and development of cooperation, as well as specific training either as salesmen or as bookkeepers.

As these courses are open to students with a primary village school education, poor peasants and farm laborers have an opportunity to secure this training. Records for the first year show that 363 students attended the courses, of whom 30 per cent were women. The courses are to be extended into a number of districts in 1929-30.

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COOPERATIVES IN NEW SOUTH WALES

At the close of the fiscal year, June 30, 1928, New South Wales had 353 cooperative societies, according to the report of the registrar. These societies were divided as follows: rural societies, 102; trading, 66; community settlement, 1; community advancement, 14; building, 165; investment, 3; associations of cooperative societies, 2.

Fourteen new rural societies were registered during the year. These cooperatives are engaged in making and selling butter, cheese and bacon, in packing and marketing fruit, and in buying poultry feed and other supplies. Ninety-four of the societies reported sales for the year amounting to £5,652,472, of which the producers received £4,793,580. Their combined surplus for the year was £103,424; they paid dividends on share capital to the amount of £11,055 and transferred a total of £48,665 to reserve funds.

Figures for membership show an increase from 2,602 members of 27 reporting societies in 1924-25, to 23,487 members of 81 reporting societies in 1927-28.

The 66 trading societies reported sales of goods to the amount of £3,840,014, with a net loss of £2,019. Expenses, including interest and depreciation, amounted to 17.5 per cent of sales.

The New South Wales Cooperative Wholesale Society, Ltd., is a federation of 16 trading societies. Its sales in the year under review totalled £692,537, with earnings of £16,728. Of this sum £5,042 was distributed as a patronage refund, £3,307 went for interest on share capital, £4,820 was carried to reserves, and a balance was carried forward.

REPORTED BY THE ASSOCIATIONS

An iceless refrigerator car loaded with eggs from the Washington Cooperative Egg and Poultry Association, Seattle, left that city early in August for New York City. This was probably the first car of cooperative eggs to be shipped across the continent under iceless refrigeration.

The Mississippi Farm Bureau Federation, Jackson, is building up a revolving fund to aid in financing its various enterprises, and farmers, business men and bankers are aiding the project by subscribing to the fund. Any amount over \$50 is accepted and the Federation issues a certificate of indebtedness, bearing 6 per cent interest, to each subscriber. The certificates are payable in five years from date of issuance.

The North West Nebraska Alfalfa Seed Growers Cooperative Association, Chadron, Nebr., is a cooperative formed for the purpose of selling alfalfa and sweet clover seed. Fifty farmers make up the membership. They organized and incorporated in 1927 with an authorized capital of \$25,000, of which \$1,250 is outstanding. Shares have a value of \$25 and interest is limited to 8 per cent. The 1928-29 business amounted to about \$15,000.

As in the past two years, the Oklahoma Farmers' Union, through its auditing department is offering auditing service to the Farmers' Union cotton gins of the state. The gins may send their daily reports to be audited, and receive monthly reports of the financial conditions and the business done. The auditing department also furnishes various lines of office supplies, including forms designed especially for keeping records of farmers' gins. Reports to the Federal Government and to the Corporation Commission are also a part of the service.

An Illinois community including five or six small towns has a cooperative known as the Union Funeral Association, which has operated successfully for five years. The association was started by a group of miners and soon included local unions of mine workers, of store clerks, of barbers, teamsters, railroad men, and auto mechanics. Each individual pays an entrance fee of \$1. The Association began business in December, 1923, with a debt of \$5,000. It has transacted a business of \$20,500, and now has a reserve fund of \$2,211.

Representatives of several wool marketing associations asked the Federal Farm Board recently for the immediate formation of an advisory council for wool. They reported that this year's clip was about 300,000, 000 pounds. Of this quantity the organizations connected with the National Wool Marketing Council would handle some 20,000,000 pounds; cooperatives not members of the Council, about 7,000,000 pounds; farmer-owned warehouses in Texas, California and New Mexico, about 35,000,000 pounds; and local cooperative pools, about 5,000,000 pounds, making all together a substantial fraction of the clip for the year.

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